

106TH CONGRESS
1ST SESSION

S. 170

To permit revocation by members of the clergy of their exemption from
Social Security coverage.

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1999

Mr. SMITH of New Hampshire (for himself, Mr. MOYNIHAN, and Mr. MACK)
introduced the following bill; which was read twice and referred to the
Committee on Finance

A BILL

To permit revocation by members of the clergy of their
exemption from Social Security coverage.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REVOCATION BY MEMBERS OF THE CLERGY OF**
4 **EXEMPTION FROM SOCIAL SECURITY COV-**
5 **ERAGE.**

6 (a) IN GENERAL.—Notwithstanding section
7 1402(e)(4) of the Internal Revenue Code of 1986, any ex-
8 emption which has been received under section 1402(e)(1)
9 of such Code by a duly ordained, commissioned, or li-
10 censed minister of a church, a member of a religious order,

1 or a Christian Science practitioner, and which is effective
2 for the taxable year in which this Act is enacted, may be
3 revoked by filing an application therefor (in such form and
4 manner, and with such official, as may be prescribed in
5 regulations made under chapter 2 of such Code), if such
6 application is filed no later than the due date of the Fed-
7 eral income tax return (including any extension thereof)
8 for the applicant's second taxable year beginning after De-
9 cember 31, 1999. Any such revocation shall be effective
10 (for purposes of chapter 2 of such Code and title II of
11 the Social Security Act), as specified in the application,
12 either with respect to the applicant's first taxable year be-
13 ginning after December 31, 1999, or with respect to the
14 applicant's second taxable year beginning after such date,
15 and for all succeeding taxable years; and the applicant for
16 any such revocation may not thereafter again file applica-
17 tion for an exemption under such section 1402(e)(1). If
18 the application is filed after the due date of the applicant's
19 Federal income tax return for a taxable year and is effec-
20 tive with respect to that taxable year, it shall include or
21 be accompanied by payment in full of an amount equal
22 to the total of the taxes that would have been imposed
23 by section 1401 of such Code with respect to all of the
24 applicant's income derived in that taxable year which
25 would have constituted net earnings from self-employment

1 for purposes of chapter 2 of such Code (notwithstanding
2 paragraph (4) or (5) of section 1402(c) of such Code) but
3 for the exemption under section 1402(e)(1) of such Code.

4 (b) EFFECTIVE DATE.—Subsection (a) shall apply
5 with respect to service performed (to the extent specified
6 in such subsection) in taxable years beginning after De-
7 cember 31, 1999, and with respect to monthly insurance
8 benefits payable under title II of the Social Security Act
9 on the basis of the wages and self-employment income of
10 any individual for months in or after the calendar year
11 in which such individual's application for revocation (as
12 described in such subsection) is effective (and lump-sum
13 death payments payable under such title on the basis of
14 such wages and self-employment income in the case of
15 deaths occurring in or after such calendar year).

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